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SUBJECT: DOE SECRETARY BODMAN REVIEWS ENERGY PARTNERSHIP WITH KOREA  
DURING DECEMBER 12-13 VISIT

SUMMARY

1. Energy Secretary Samuel Bodman visited South Korea December 12-13. In meetings with the Minister of Commerce, Industry and Energy and the Deputy Prime Minister for Science and Technology, Secretary Bodman reviewed U.S.-Korea collaboration, and sought to

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advance it in areas such as the Megaports Initiative and the Global Nuclear Energy Partnership. He later joined Commerce Secretary Gutierrez for a joint event highlighting a U.S.-Korea public-private partnership in the area of clean energy technology that is helping to improve Korea's air quality. End summary.

MEETING WITH COMMERCE MINISTER

2. Secretary Bodman called December 13 on the ROK Minister of Commerce, Industry and Energy, Chung Sye-kyun on December 13. Bodman expressed pleasure with the U.S.-Korea partnership on energy issues, citing specifically Korea's participation in the FutureGen zero-emissions power generation demonstration project and in the ITER fusion demonstration project. Bodman expressed U.S. hope that Korea would join in the Megaports Initiative designed to monitor movements of dangerous radiological materials, and offered technical assistance and equipment if Korea chooses to participate. Minister Chung promised to review the Megaports issue with other relevant ministries.

3. Minister Chung expressed hope that U.S. policy will contribute to stabilizing the world price of oil, noting that the United States is the largest consumer of imported energy. Secretary Bodman said that the five-party Energy Ministerial scheduled for later in the week in Beijing would give the U.S. and Korea an opportunity to examine the issues confronting the major consuming nations, including ways to encourage market-based decision-making. Chung inquired whether there would be further meetings in the five-party format; Secretary Bodman replied that would depend on whether concrete progress results. Chung noted that the participation of India and China, each with rapidly rising energy needs, promised to make the forum useful.

4. Minister Chung inquired about U.S. efforts to spur a revival of

the nuclear power industry. Secretary Bodman sketched U.S. incentives to the industry, but said that long-term storage of nuclear waste remains a challenge. He described the Global Nuclear Energy Partnership (GNEP) as an effort to encourage nuclear power use worldwide while ensuring strict adherence to nuclear nonproliferation. He expressed U.S. pleasure with Korea's interest in participating in GNEP. Alluding to Korea's desire for a special status in GNEP (based on the fact that while it does not control the full fuel cycle, neither is it a simple consumer of fuel produced elsewhere), Secretary Bodman said that he expected that a solution would be worked out that would allow Korea to take advantage of its technical and research capabilities. Minister Chung said that Korea agrees with the principles underlying GNEP. He appealed for U.S. understanding of Korea's need for a special status within GNEP and sought the Secretary's personal attention to the issue.

¶15. Turning to liquefied natural gas (LNG), Chung noted a surge in U.S. demand and worried about strains in the international market. Bodman noted that new legislation expected to be signed by the President would encourage increased production in the continental shelf. While that might buy time, Bodman said, there is a need to find alternative sources of energy, including nuclear, biofuels, solar, wind, and coal combined with carbon sequestration. He invited Korean experts to examine U.S. efforts in these areas.

#### MEETING WITH DEPUTY PRIME MINISTER FOR S&T

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¶16. Secretary Bodman next called on the Deputy Prime Minister (and Minister of Science and Technology), Kim Woo-sik. The Secretary expressed appreciation for Korea's engagement in energy-related partnerships including ITER. Kim noted that the Korean "KSTAR" tokamak (fusion research chamber) will be completed in 2007, with operations to begin in 2008. He said it would have been impossible to build without U.S. collaboration, and noted that many of the Korean engineers involved were educated in the United States. Kim invited the Secretary to participate in the KSTAR inaugural ceremony planned for September, 2007, noting that the publicity around such

an event could help cement long-term public support for fusion research.

¶17. Minister Kim agreed with the Secretary that support for science should be nonpartisan. He said that science had received strong support in the Roh Moo-hyun administration, noting that the science budget is up 10.5 percent over 2005. He stated that his ministry is working on 10-year plans for major technologies, and promised to share them with the U.S. when the plans are completed.

¶18. Turning to GNEP, Secretary Bodman said the U.S. seeks an approach that makes full use of Korea's considerable research capabilities in the nuclear field. Kim expressed appreciation for U.S. vision and leadership in GNEP, and said that Korea agrees with the objectives and principles of the partnership. He pointed out that Korea conducts research on pyroprocessing with international cooperation and called for further consultations on how to incorporate that research into the initiative.

¶19. Responding to Secretary Bodman's comment that U.S.-Korean collaboration in science and technology has been excellent and mutually beneficial, Kim remarked that he is convinced that the U.S. will remain the leading power in S&T, and mentioned biotech as one area for enhanced bilateral cooperation. Secretary Bodman said that DOE is working on putting biotech to work in achieving energy solutions, and offered a briefing on that effort whenever the Minister next visits the United States.

#### CLEAN ENERGY EVENT

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¶10. Secretary Bodman joined Commerce Secretary Carlos Gutierrez, visiting Seoul at the same time, for an event highlighting a unique public-private partnership that has substantially contributed to the improvement of the air quality in Korea. The event featured buses and other heavy equipment powered by clean compressed natural gas (CNG), using technology supplied by a U.S. firm, Woodward Governor of Rockford, Illinois, through its Korean partner, NGVI. More than 11,400 buses, or nearly 40 percent of the buses in Korea, have been

replaced with the clean-burning CNG buses, and more than 100 garbage trucks have been converted to CNG. The Korean government has recently announced plans to convert a total of 23,000 buses by 2010.

Both Secretary Bodman and Secretary Gutierrez made brief remarks welcoming this sort of collaboration, where U.S. technology has direct benefits for the populace. They then inspected one of the Seoul City CNG buses and a CNG-powered street cleaner with the media in tow, and obtained good press coverage.

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